EXHIBIT 14

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**
FOR THE QUARTERLY PERIOD ENDED FEBRUARY 28, 2023

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**
FOR THE TRANSITION PERIOD FROM TO .

Commission File No. 1-10635

NIKE, Inc.

(Exact name of Registrant as specified in its charter)

Oregon	**93-0584541**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

One Bowerman Drive, Beaverton, Oregon 97005-6453
(Address of principal executive offices and zip code)

(503) 671-6453
(Registrant's telephone number, including area code)

SECURITIES REGISTERED PURSUANT TO SECTION 12(B) OF THE ACT:

Class B Common Stock	**NKE**	**New York Stock Exchange**
(Title of each class)	*(Trading symbol)*	*(Name of each exchange on which registered)*

Indicate by check mark:	**YES**	**NO**
• whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.	☑	☐
• whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).	☑	☐
• whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.		
Large accelerated filer ☑ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐		
• if an emerging growth company, if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.	☐	
• whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).	☐	☑

As of March 30, 2023, the number of shares of the Registrant's Common Stock outstanding were:

Class A	304,897,252
Class B	1,232,091,564
	1,536,988,816

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

NIKE designs, develops, markets and sells athletic footwear, apparel, equipment, accessories and services worldwide. We are the largest seller of athletic footwear and apparel in the world. We sell our products through NIKE Direct operations, which is comprised of both NIKE-owned retail stores and sales through our digital platforms (also referred to as "NIKE Brand Digital"), to retail accounts and to a mix of independent distributors, licensees and sales representatives in virtually all countries around the world. Our goal is to deliver value to our shareholders by building a profitable global portfolio of branded footwear, apparel, equipment and accessories businesses. Our strategy is to achieve long-term revenue growth by creating innovative, “must-have” products, building deep personal consumer connections with our brands and delivering compelling consumer experiences through digital platforms and at retail.

Through the Consumer Direct Acceleration, we are focusing on creating the marketplace of the future through more premium, consistent and seamless consumer experiences, leading with digital and our owned stores, as well as select wholesale partners that share our marketplace vision. Over the last several years, as we have executed against the Consumer Direct Acceleration, we have grown our NIKE Direct revenues, on a reported basis, to be approximately 45% and 43% of total NIKE Brand revenues for the third quarter and first nine months of fiscal 2023, respectively. We have also reduced the number of wholesale accounts globally. Additionally, we have aligned our product creation and category organizations around a new consumer construct focused on Men’s, Women’s and Kids’ and continue to invest in data and analytics, demand sensing, insight gathering, inventory management and other areas to create an end-to-end technology foundation, which we expect will further accelerate our digital transformation. We believe this unified approach will accelerate growth and unlock more efficiency for our business, while driving speed and responsiveness as we serve consumers globally.

CURRENT ECONOMIC CONDITIONS AND MARKET DYNAMICS

Revenues for the third quarter and first nine months of fiscal 2023 grew 14% and 11%, respectively, compared to the prior year, reflecting strong demand for our product, despite ongoing macroeconomic volatility and ongoing supply chain challenges.

In the first quarter of fiscal 2022, government mandated shutdowns in Vietnam and Indonesia due to COVID-19 impacted our contract manufacturers’ operations and our supply of available product. This, coupled with elevated inventory transit times due to port congestion, transportation delays and labor and container shortages, caused seasonal product to arrive later than planned. We expected these elevated inventory transit times to continue and as a result we purchased product for fiscal 2023 earlier than normal.

However, during the first quarter of fiscal 2023, inventory transit times improved ahead of plan resulting in seasonal product arriving early. This disruption in the flow of seasonal inventory led to elevated inventory levels at the end of the first quarter of fiscal 2023.

Starting in the first quarter of fiscal 2023, we took action to reduce excess inventory by decreasing inventory purchases and increasing promotional activity. These actions led to Inventories decreasing sequentially in the second and third quarters of fiscal 2023.

As inventory transit and product purchase timelines continue to converge towards pre-pandemic levels, we expect that the flow of seasonal product, and our inventory levels will normalize by the end of fiscal 2023.

During the first nine months of fiscal 2023, we experienced higher product input, freight and logistics costs primarily due to inflationary pressures. These costs, combined with higher promotional activity, contributed to gross margin contraction of 330 basis points and 280 basis points in the third quarter and first nine months of fiscal 2023, respectively. These impacts were partially offset by strategic pricing actions taken in prior quarters.

Fluctuations in currency exchange rates also create volatility in our reported results as we translate the balance sheets, operational results and cash flows of our subsidiaries into U.S. Dollars for consolidated reporting. During the third quarter of fiscal 2023, foreign currency headwinds increased significantly as the U.S. Dollar strengthened in relation to most foreign currencies, reducing reported Revenues by $549 million and $2.5 billion for the third quarter and first nine months of fiscal 2023, respectively.

We expect unfavorable changes in foreign currency exchange rates, net of hedges, will negatively impact our results of operations in the fourth quarter of fiscal 2023, which could result in continued gross margin contraction.

Most of our geographies operated with little to no COVID-19 related disruptions during the third quarter of fiscal 2023. In Greater China, however, the shifting of the local government's COVID-19 policies in December 2022 led to temporary store closures as well as lower physical traffic during the month. Since January 2023, nearly all stores in Greater China have remained open and are operating on normal hours with improved physical traffic.

Across our geographies and Converse, the operating environment remains dynamic, and we expect promotional activity to continue in the fourth quarter of fiscal 2023. In addition, we expect product costs to remain elevated due to higher input, freight and logistics costs, which could result in continued gross margin contraction.

We also continue to closely monitor macroeconomic conditions, including potential impacts inflation and rising interest rates could have on consumer behavior. While we believe our Consumer Direct Acceleration Strategy continues to drive our business toward our long-term financial goals, worsening macroeconomic conditions could affect our business, including, among other things, higher inventory levels in various markets, higher inventory obsolescence reserves, higher promotional activity, reduced demand for our products, reduced orders from our wholesale customers for our products and order cancellations. There could also be new or prolonged COVID-19 related restrictions or disruptions across our geographies. Any of these factors, among others, could have material adverse impacts on our revenue growth as well as overall profitability in future periods.

THIRD QUARTER OVERVIEW

For the third quarter of fiscal 2023, NIKE, Inc. Revenues increased 14% to $12.4 billion compared to the third quarter of fiscal 2022 and increased 19% on a currency-neutral basis. Net income was $1,240 million and diluted earnings per common share was $0.79 for the third quarter of fiscal 2023, compared to Net income of $1,396 million and diluted earnings per common share of $0.87 for the third quarter of fiscal 2022.

Income before income taxes decreased 12% compared to the third quarter of fiscal 2022 due to higher Selling and administrative expense and gross margin contraction, partially offset by higher revenues. NIKE Brand revenues, which represent over 90% of NIKE, Inc. Revenues, increased 14% compared to the third quarter of fiscal 2022. On a currency-neutral basis, NIKE Brand revenues increased 19%, driven by higher revenues across all geographies, led by increases in North America and Europe, Middle East & Africa (EMEA). Additionally, NIKE Brand currency-neutral revenues were higher across footwear and apparel, as well as across Men's, the Jordan Brand, Women's and Kids'. Revenues for Converse increased 8% and 12% compared to the third quarter of fiscal 2022, on a reported and currency-neutral basis, respectively, as revenue growth in North America, Western Europe and licensee markets was partially offset by declines in Asia.

Our effective tax rate was 16.0% for the third quarter of fiscal 2023 and substantially consistent compared to 16.4% for the third quarter of fiscal 2022.

On August 16, 2022, the U.S. government enacted the Inflation Reduction Act of 2022 that includes, among other provisions, changes to the U.S. corporate income tax system, including a fifteen percent minimum tax based on "adjusted financial statement income," which is effective for NIKE beginning June 1, 2023. Based on our current analysis of the provisions, we do not expect these tax law changes to have a material impact on our financial statements; however, we will continue to evaluate their impact as further information becomes available.

During the second quarter of fiscal 2023, we completed the sale of our entities in Argentina and Uruguay to a third party distributor. For more information see Note 14 — Acquisitions and Divestitures within the accompanying Notes to the Unaudited Condensed Consolidated Financial Statements. Now that we have completed the shift from a wholesale and direct to consumer operating model to a distributor model within our Central and South America (CASA) territory, we expect consolidated NIKE, Inc. and Asia Pacific & Latin America (APLA) revenue growth will be reduced due to different commercial terms. However, over time we expect the future operating model to have a favorable impact on our overall profitability as we reduce selling and administrative expenses, as well as reduce exposure to foreign exchange rate volatility.

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USE OF NON-GAAP FINANCIAL MEASURES

Throughout this Quarterly Report on Form 10-Q, we discuss non-GAAP financial measures, including references to wholesale equivalent revenues, currency-neutral revenues, as well as Total NIKE Brand earnings before interest and taxes (EBIT), Total NIKE, Inc. EBIT and EBIT Margin, which should be considered in addition to, and not in lieu of, the financial measures calculated and presented in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). References to wholesale equivalent revenues are intended to provide context as to the total size of our NIKE Brand market footprint if we had no NIKE Direct operations. NIKE Brand wholesale equivalent revenues consist of (1) sales to external wholesale customers and (2) internal sales from our wholesale operations to our NIKE Direct operations, which are charged at prices comparable to those charged to external wholesale customers. Additionally, currency-neutral revenues are calculated using actual exchange rates in use during the comparative prior year period to enhance the visibility of the underlying business trends excluding the impact of translation arising from foreign currency exchange rate fluctuations. EBIT is calculated as Net income before Interest expense (income), net and Income tax expense in the Unaudited Condensed Consolidated Statements of Income. EBIT Margin is calculated as EBIT divided by total NIKE, Inc. Revenues.

Management uses these non-GAAP financial measures when evaluating the Company's performance, including when making financial and operating decisions. Additionally, management believes these non-GAAP financial measures provide investors with additional financial information that should be considered when assessing our underlying business performance and trends. However, references to wholesale equivalent revenues, currency-neutral revenues, EBIT and EBIT margin should not be considered in isolation or as a substitute for other financial measures calculated and presented in accordance with U.S. GAAP and may not be comparable to similarly titled non-GAAP measures used by other companies.

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RESULTS OF OPERATIONS

(Dollars in millions, except per share data)	THREE MONTHS ENDED FEBRUARY 28, 2023	2022	% CHANGE	NINE MONTHS ENDED FEBRUARY 28, 2023	2022	% CHANGE
Revenues	$ 12,390	$ 10,871	14 %	$ 38,392	$ 34,476	11 %
Cost of sales	7,019	5,804	21 %	21,695	18,500	17 %
Gross profit	5,371	5,067	6 %	16,697	15,976	5 %
Gross margin	*43.3 %*	*46.6 %*		*43.5 %*	*46.3 %*	
Demand creation expense	923	854	8 %	2,968	2,789	6 %
Operating overhead expense	3,036	2,584	17 %	9,035	7,980	13 %
Total selling and administrative expense	3,959	3,438	15 %	12,003	10,769	11 %
% of revenues	*32.0 %*	*31.6 %*		*31.3 %*	*31.2 %*	
Interest expense (income), net	(7)	53	—	22	165	—
Other (income) expense, net	(58)	(94)	—	(283)	(235)	—
Income before income taxes	1,477	1,670	-12 %	4,955	5,277	-6 %
Income tax expense	237	274	-14 %	916	670	37 %
Effective tax rate	*16.0 %*	*16.4 %*		*18.5 %*	*12.7 %*	
NET INCOME	**$ 1,240**	**$ 1,396**	**-11 %**	**$ 4,039**	**$ 4,607**	**-12 %**
Diluted earnings per common share	$ 0.79	$ 0.87	-9 %	$ 2.57	$ 2.85	-10 %

CONSOLIDATED OPERATING RESULTS

REVENUES

(Dollars in millions)	THREE MONTHS ENDED FEBRUARY 28, 2023	2022	% CHANGE	% CHANGE EXCLUDING CURRENCY CHANGES(1)	NINE MONTHS ENDED FEBRUARY 28, 2023	2022	% CHANGE	% CHANGE EXCLUDING CURRENCY CHANGES(1)
NIKE, Inc. Revenues:								
NIKE Brand Revenues by:								
Footwear	$ 7,970	$ 6,660	20 %	25 %	$ 24,588	$ 21,158	16 %	24 %
Apparel	3,381	3,232	5 %	10 %	10,609	10,330	3 %	10 %
Equipment	403	390	3 %	8 %	1,297	1,237	5 %	12 %
Global Brand Divisions(2)	12	41	-71 %	-69 %	44	54	-19 %	-17 %
Total NIKE Brand Revenues	**11,766**	**10,323**	**14 %**	**19 %**	**36,538**	**32,779**	**11 %**	**19 %**
Converse	612	567	8 %	12 %	1,841	1,753	5 %	10 %
Corporate(3)	12	(19)	—	—	13	(56)	—	—
TOTAL NIKE, INC. REVENUES	**$ 12,390**	**$ 10,871**	**14 %**	**19 %**	**$ 38,392**	**$ 34,476**	**11 %**	**19 %**
Supplemental NIKE Brand Revenues Details:								
NIKE Brand Revenues by:								
Sales to Wholesale Customers	$ 6,423	$ 5,728	12 %	18 %	$ 20,693	$ 18,790	10 %	18 %
Sales through NIKE Direct	5,331	4,554	17 %	22 %	15,801	13,935	13 %	20 %
Global Brand Divisions(2)	12	41	-71 %	-69 %	44	54	-19 %	-17 %
TOTAL NIKE BRAND REVENUES	**$ 11,766**	**$ 10,323**	**14 %**	**19 %**	**$ 36,538**	**$ 32,779**	**11 %**	**19 %**

(1) The percent change excluding currency changes represents a non-GAAP financial measure. See "Use of Non-GAAP Financial Measures" for further information.

(2) Global Brand Divisions revenues include NIKE Brand licensing and other miscellaneous revenues that are not part of a geographic operating segment.

(3) Corporate revenues primarily consist of foreign currency hedge gains and losses related to revenues generated by entities within the NIKE Brand geographic operating segments and Converse, but managed through our central foreign exchange risk management program.

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THIRD QUARTER OF FISCAL 2023 COMPARED TO THIRD QUARTER OF FISCAL 2022

On a currency-neutral basis, NIKE, Inc. Revenues increased 19% the third quarter of fiscal 2023, driven by higher revenues in both the NIKE Brand and Converse. Higher revenues in North America, EMEA, APLA and Converse contributed approximately 9, 7, 2 and 1 percentage points to NIKE, Inc. Revenues, respectively.

On a currency-neutral basis, NIKE Brand footwear revenues increased 25% in the third quarter of fiscal 2023, driven by higher revenues in Men's, the Jordan Brand and Women's. Unit sales of footwear increased 19%, while higher average selling price (ASP) per pair contributed approximately 6 percentage points of footwear revenue growth, primarily due to higher full-price ASP, net of discounts, on a wholesale equivalent basis, and growth in NIKE Direct. This was partially offset by lower NIKE Direct ASP.

Currency-neutral NIKE Brand apparel revenues for the third quarter of fiscal 2023 increased 10%, driven by higher revenues in Men's. Unit sales of apparel increased 5% and higher ASP per unit contributed approximately 5 percentage points of apparel revenue growth, primarily due to higher full-price ASP and growth in NIKE Direct, partially offset by lower NIKE Direct ASP.

NIKE Brand wholesale revenues increased 12% and 18% compared to the third quarter of fiscal 2022, on a reported and currency-neutral basis, respectively. On a reported basis, NIKE Direct revenues represented approximately 45% of our total NIKE Brand revenues for the third quarter of fiscal 2023 compared to 44% for the third quarter of fiscal 2022. NIKE Brand Digital sales were $3.1 billion for the third quarter of fiscal 2023 compared to $2.7 billion for the third quarter of fiscal 2022. On a currency-neutral basis, NIKE Direct revenues increased 22%, primarily driven by NIKE Brand Digital sales growth of 24% and comparable store sales growth of 20%. Comparable store sales, which exclude NIKE Brand Digital sales, comprises revenues from NIKE-owned in-line and factory stores for which all three of the following requirements have been met: (1) the store has been open at least one year, (2) square footage has not changed by more than 15% within the past year and (3) the store has not been permanently repositioned within the past year. Comparable store sales includes revenues from stores that were temporarily closed during the period as a result of COVID-19. Comparable store sales represents a performance measure that we believe is useful information for management and investors in understanding the performance of our established NIKE-owned in-line and factory stores. Management considers this metric when making financial and operating decisions. The method of calculating comparable store sales varies across the retail industry. As a result, our calculation of this metric may not be comparable to similarly titled measures used by other companies.

FIRST NINE MONTHS OF FISCAL 2023 COMPARED TO FIRST NINE MONTHS OF FISCAL 2022

On a currency-neutral basis, NIKE, Inc. Revenues increased 19% for the first nine months of fiscal 2023, driven by higher revenues in North America, EMEA, APLA and Converse, which contributed approximately 9, 7, 3 and 1 percentage points to NIKE, Inc. Revenues, respectively. Lower revenues in Greater China reduced NIKE, Inc. Revenues by approximately 1 percentage point.

On a currency-neutral basis, NIKE Brand footwear revenues increased 24%, driven by growth in Men's and the Jordan Brand. Unit sales of footwear increased 15%, while higher ASP per pair contributed approximately 9 percentage points of footwear revenue growth, primarily due to higher full-price ASP and growth in NIKE Direct.

Currency-neutral NIKE Brand apparel revenues increased 10%, driven by growth in Men's. Unit sales of apparel increased 7% and higher ASP per unit contributed approximately 3 percentage points of apparel revenue growth. Higher ASP per unit was primarily due to higher full-price ASP and growth in NIKE Direct, partially offset by lower NIKE Direct ASP.

NIKE Brand wholesale revenues increased 10% and 18% compared to the first nine months of fiscal 2022, on a reported and currency-neutral basis, respectively. On a reported basis, NIKE Direct revenues represented approximately 43% of our total NIKE Brand revenues for the first nine months of fiscal 2023 and the first nine months of fiscal 2022. NIKE Brand Digital sales were $9.4 billion for the first nine months of fiscal 2023 compared to $7.9 billion for the first nine months of fiscal 2022. On a currency-neutral basis, NIKE Direct revenues increased 20%, primarily driven by NIKE Brand Digital sales growth of 27% and comparable store sales growth of 11%.

GROSS MARGIN

	THREE MONTHS ENDED FEBRUARY 28,			NINE MONTHS ENDED FEBRUARY 28,		
(Dollars in millions)	2023	2022	% CHANGE	2023	2022	% CHANGE
Gross profit	$ 5,371	$ 5,067	6 %	$ 16,697	$ 15,976	5 %
Gross margin	43.3 %	46.6 %	(330) bps	43.5 %	46.3 %	(280) bps

For the third quarter of fiscal 2023, our consolidated gross margin was 330 basis points lower than the prior year and primarily reflected the following factors:

- Higher NIKE Brand product costs, on a wholesale equivalent basis, (decreasing gross margin approximately 360 basis points) primarily due to higher input costs and elevated inbound freight and logistics costs as well as product mix;

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- Lower margin in NIKE Direct, driven by higher promotional activity to liquidate inventory in the current period compared to lower promotional activity in the prior period resulting from lower available inventory supply (decreasing gross margin approximately 140 basis points);
- Unfavorable changes in net foreign currency exchange rates, including hedges (decreasing gross margin approximately 140 basis points);
- Lower off-price margin, on a wholesale equivalent basis (decreasing gross margin approximately 30 basis points); and
- Higher NIKE Brand full-price ASP, net of discounts, on a wholesale equivalent basis, (increasing gross margin approximately 370 basis points) due primarily to strategic pricing actions and product mix.

For the first nine months of fiscal 2023, our consolidated gross margin was 280 basis points lower than the prior year and primarily reflected the following factors:

- Higher NIKE Brand product costs, on a wholesale equivalent basis, (decreasing gross margin approximately 360 basis points) primarily due to higher input costs and elevated inbound freight and logistics costs as well as product mix;
- Lower margin in NIKE Direct, driven by higher promotional activity to liquidate inventory in the current period compared to lower promotional activity in the prior period resulting from lower available inventory supply (decreasing gross margin approximately 130 basis points);
- Unfavorable changes in net foreign currency exchange rates, including hedges (decreasing gross margin approximately 100 basis points); and
- Higher NIKE Brand full-price ASP, net of discounts, on a wholesale equivalent basis, (increasing gross margin approximately 320 basis points) due primarily to strategic pricing actions and product mix.

TOTAL SELLING AND ADMINISTRATIVE EXPENSE

	THREE MONTHS ENDED FEBRUARY 28,			NINE MONTHS ENDED FEBRUARY 28,		
(Dollars in millions)	**2023**	**2022**	**% CHANGE**	**2023**	**2022**	**% CHANGE**
Demand creation expense[1]	$ 923	$ 854	8 %	$ 2,968	$ 2,789	6 %
Operating overhead expense	3,036	2,584	17 %	9,035	7,980	13 %
Total selling and administrative expense	$ 3,959	$ 3,438	15 %	$ 12,003	$ 10,769	11 %
% of revenues	32.0 %	31.6 %	40 bps	31.3 %	31.2 %	10 bps

(1) Demand creation expense consists of advertising and promotion costs, including costs of endorsement contracts, complimentary products, television, digital and print advertising and media costs, brand events and retail brand presentation.

THIRD QUARTER OF FISCAL 2023 COMPARED TO THIRD QUARTER OF FISCAL 2022

Demand creation expense increased 8% for the third quarter of fiscal 2023 primarily due to an increase in advertising and marketing expense. Changes in foreign currency exchange rates decreased Demand creation expense by approximately 3 percentage points.

Operating overhead expense increased 17% primarily due to higher wage-related expenses, higher strategic technology enterprise investments and NIKE Direct variable costs. Changes in foreign currency exchange rates decreased Operating overhead expense by approximately 3 percentage points.

Foreign exchange rate fluctuations had a similar impact on the translation of our consolidated Revenues, resulting in an unfavorable impact of approximately 5 percentage points.

FIRST NINE MONTHS OF FISCAL 2023 COMPARED TO FIRST NINE MONTHS OF FISCAL 2022

Demand creation expense increased 6% for the first nine months of fiscal 2023 primarily due to higher advertising and marketing expense and higher sports marketing expense. Changes in foreign currency exchange rates decreased Demand creation expense by approximately 5 percentage points.

Operating overhead expense increased 13% primarily due to an increase in wage-related expenses, higher strategic technology enterprise investments and NIKE Direct variable costs. Changes in foreign currency exchange rates decreased Operating overhead expense by approximately 4 percentage points.

Foreign exchange rate fluctuations had a similar impact on the translation of our consolidated Revenues, resulting in an unfavorable impact of approximately 8 percentage points.

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OTHER (INCOME) EXPENSE, NET

	THREE MONTHS ENDED FEBRUARY 28,		NINE MONTHS ENDED FEBRUARY 28,	
(Dollars in millions)	2023	2022	2023	2022
Other (income) expense, net	$ (58)	$ (94)	$ (283)	$ (235)

Other (income) expense, net comprises foreign currency conversion gains and losses from the remeasurement of monetary assets and liabilities denominated in non-functional currencies and the impact of certain foreign currency derivative instruments, as well as unusual or non-operating transactions that are outside the normal course of business.

For the third quarter of fiscal 2023, Other (income) expense, net decreased from $94 million of other income, net to $58 million in the current year, largely due to net favorable settlements of legal and insurance matters in the prior year and favorable activity in the prior year related to our strategic distributor partnership transition within APLA, partially offset by a net favorable change in foreign currency conversion gains and losses, including hedges.

For the first nine months of fiscal 2023, Other (income) expense, net increased from $235 million of other income, net to $283 million in the current year, primarily due to a net favorable change in foreign currency conversion gains and losses, including hedges, and settlements of legal matters. This increase was partially offset by net unfavorable activity related to our strategic distributor partnership transition within APLA, including the loss recognized upon the completion of the sale of our entities in Argentina and Uruguay to a third-party distributor in the second quarter of fiscal 2023.

For more information related to our distributor partnership transition within APLA, see Note 14 — Acquisitions and Divestitures within the accompanying Notes to the Unaudited Condensed Consolidated Financial Statements.

We estimate the combination of the translation of foreign currency-denominated profits from our international businesses and the year-over-year change in foreign currency-related gains and losses included in Other (income) expense, net had unfavorable impacts of approximately $147 million and $508 million on our Income before income taxes for the third quarter and first nine months of fiscal 2023, respectively.

INCOME TAXES

	THREE MONTHS ENDED FEBRUARY 28,			NINE MONTHS ENDED FEBRUARY 28,		
	2023	2022	% CHANGE	2023	2022	% CHANGE
Effective tax rate	16.0 %	16.4 %	(40) bps	18.5 %	12.7 %	580 bps

Our effective tax rate was 16.0% for the third quarter of fiscal 2023 and substantially consistent compared to 16.4% for the third quarter of fiscal 2022.

Our effective tax rate was 18.5% for the first nine months of fiscal 2023, compared to 12.7% for the first nine months of fiscal 2022, primarily due to decreased benefits from stock-based compensation and a shift in our earnings mix.

Refer to Note 6 — Income Taxes within the accompanying Notes to the Unaudited Condensed Consolidated Financial Statements for additional information.

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OPERATING SEGMENTS

Our operating segments are evidence of the structure of the Company's internal organization. The NIKE Brand segments are defined by geographic regions for operations participating in NIKE Brand sales activity.

Each NIKE Brand geographic segment operates predominantly in one industry: the design, development, marketing and selling of athletic footwear, apparel and equipment. The Company's reportable operating segments for the NIKE Brand are: North America; Europe, Middle East & Africa (EMEA); Greater China; and Asia Pacific & Latin America (APLA), and include results for the NIKE and Jordan brands. The Company's NIKE Direct operations are managed within each geographic operating segment. Converse is also a reportable operating segment for the Company and operates predominately in one industry: the design, marketing, licensing and selling of athletic lifestyle sneakers, apparel and accessories.

As part of our centrally managed foreign exchange risk management program, standard foreign currency exchange rates are assigned twice per year to each NIKE Brand entity in our geographic operating segments and Converse. These rates are set approximately nine and twelve months in advance of the future selling seasons to which they relate (specifically, for each currency, one standard rate applies to the fall and holiday selling seasons and one standard rate applies to the spring and summer selling seasons) based on average market spot rates in the calendar month preceding the date they are established. Inventories and Cost of sales for geographic operating segments and Converse reflect the use of these standard rates to record non-functional currency product purchases into the entity's functional currency. Differences between assigned standard foreign currency exchange rates and actual market rates are included in Corporate, together with foreign currency hedge gains and losses generated from our centrally managed foreign exchange risk management program and other conversion gains and losses.

The breakdown of Revenues is as follows:

	THREE MONTHS ENDED FEBRUARY 28,				NINE MONTHS ENDED FEBRUARY 28,			
(Dollars in millions)	2023	2022	% CHANGE	% CHANGE EXCLUDING CURRENCY CHANGES[(1)]	2023	2022	% CHANGE	% CHANGE EXCLUDING CURRENCY CHANGES[(1)]
North America	$ 4,913	$ 3,882	27 %	27 %	$ 16,253	$ 13,238	23 %	23 %
Europe, Middle East & Africa	3,246	2,779	17 %	26 %	10,068	9,228	9 %	25 %
Greater China	1,994	2,160	-8 %	1 %	5,438	5,986	-9 %	-2 %
Asia Pacific & Latin America	1,601	1,461	10 %	15 %	4,735	4,273	11 %	22 %
Global Brand Divisions[(2)]	12	41	-71 %	-69 %	44	54	-19 %	-17 %
TOTAL NIKE BRAND	**11,766**	**10,323**	**14 %**	**19 %**	**36,538**	**32,779**	**11 %**	**19 %**
Converse	612	567	8 %	12 %	1,841	1,753	5 %	10 %
Corporate[(3)]	12	(19)	—	—	13	(56)	—	—
TOTAL NIKE, INC. REVENUES	**$ 12,390**	**$ 10,871**	**14 %**	**19 %**	**$ 38,392**	**$ 34,476**	**11 %**	**19 %**

(1) The percent change excluding currency changes represents a non-GAAP financial measure. See "Use of Non-GAAP Financial Measures" for further information.

(2) Global Brand Divisions revenues include NIKE Brand licensing and other miscellaneous revenues that are not part of a geographic operating segment.

(3) Corporate revenues primarily consist of foreign currency hedge gains and losses related to revenues generated by entities within the NIKE Brand geographic operating segments and Converse, but managed through our central foreign exchange risk management program.

The primary financial measure used by the Company to evaluate performance of individual operating segments is EBIT, which represents Net income before Interest expense (income), net and Income tax expense in the Unaudited Condensed Consolidated Statements of Income. As discussed in Note 12 — Operating Segments in the accompanying Notes to the Unaudited Condensed Consolidated Financial Statements, certain corporate costs are not included in EBIT of our operating segments.

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The breakdown of earnings before interest and taxes is as follows:

(Dollars in millions)	THREE MONTHS ENDED FEBRUARY 28, 2023	2022	% CHANGE	NINE MONTHS ENDED FEBRUARY 28, 2023	2022	% CHANGE
North America	$ 1,190	$ 967	23 %	$ 4,064	$ 3,636	12 %
Europe, Middle East & Africa	785	713	10 %	2,750	2,394	15 %
Greater China	702	784	-10 %	1,754	2,054	-15 %
Asia Pacific & Latin America	485	478	1 %	1,470	1,347	9 %
Global Brand Divisions	(1,160)	(975)	-19 %	(3,573)	(3,033)	-18 %
TOTAL NIKE BRAND(1)	**2,002**	**1,967**	**2 %**	**6,465**	**6,398**	**1 %**
Converse	164	168	-2 %	526	504	4 %
Corporate	(696)	(412)	-69 %	(2,014)	(1,460)	-38 %
TOTAL NIKE, INC. EARNINGS BEFORE INTEREST AND TAXES(1)	**1,470**	**1,723**	**-15 %**	**4,977**	**5,442**	**-9 %**
EBIT margin(1)	*11.9 %*	*15.8 %*		*13.0 %*	*15.8 %*	
Interest expense (income), net	(7)	53	—	22	165	—
TOTAL NIKE, INC. INCOME BEFORE INCOME TAXES	**$ 1,477**	**$ 1,670**	**-12 %**	**$ 4,955**	**$ 5,277**	**-6 %**

(1) Total NIKE Brand EBIT, Total NIKE, Inc. EBIT and EBIT margin represent non-GAAP financial measures. See "Use of Non-GAAP Financial Measures" for further information.

NORTH AMERICA

(Dollars in millions)	THREE MONTHS ENDED FEBRUARY 28, 2023	2022	% CHANGE	% CHANGE EXCLUDING CURRENCY CHANGES	NINE MONTHS ENDED FEBRUARY 28, 2023	2022	% CHANGE	% CHANGE EXCLUDING CURRENCY CHANGES
Revenues by:								
Footwear	$ 3,322	$ 2,532	31 %	31 %	$ 11,090	$ 8,648	28 %	28 %
Apparel	1,419	1,207	18 %	18 %	4,598	4,117	12 %	12 %
Equipment	172	143	20 %	21 %	565	473	19 %	20 %
TOTAL REVENUES	**$ 4,913**	**$ 3,882**	**27 %**	**27 %**	**$ 16,253**	**$ 13,238**	**23 %**	**23 %**
Revenues by:								
Sales to Wholesale Customers	$ 2,323	$ 1,769	31 %	32 %	$ 8,533	$ 6,774	26 %	26 %
Sales through NIKE Direct	2,590	2,113	23 %	23 %	7,720	6,464	19 %	20 %
TOTAL REVENUES	**$ 4,913**	**$ 3,882**	**27 %**	**27 %**	**$ 16,253**	**$ 13,238**	**23 %**	**23 %**
EARNINGS BEFORE INTEREST AND TAXES	**$ 1,190**	**$ 967**	**23 %**		**$ 4,064**	**$ 3,636**	**12 %**	

THIRD QUARTER OF FISCAL 2023 COMPARED TO THIRD QUARTER OF FISCAL 2022

On a currency-neutral basis, North America revenues for the third quarter of fiscal 2023 increased 27%, due primarily to higher revenues in Men's and the Jordan Brand. NIKE Direct revenues increased 23%, primarily driven by strong digital sales growth of 25%, comparable store sales growth of 17% and the addition of new stores.

Currency-neutral footwear revenues increased 31%, primarily driven by higher revenues in the Jordan Brand and Men's. Unit sales of footwear increased 26%, while higher ASP per pair contributed approximately 5 percentage points of footwear revenue growth. Higher ASP per pair was primarily due to higher full-price ASP and growth in NIKE Direct, partially offset by lower NIKE Direct ASP, reflecting higher promotional activity.

Currency-neutral apparel revenues increased 18%, primarily driven by higher revenues in Men's. Unit sales of apparel increased 20%, while lower ASP per unit reduced apparel revenues by approximately 2 percentage points. Lower ASP was primarily due to lower NIKE Direct ASP, reflecting higher promotional activity, and a lower mix of full-price sales. This activity was partially offset by higher ASP in both full and off-price.

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Reported EBIT increased 23% primarily due to higher revenues, partially offset by higher selling and administrative expense and gross margin contraction. Gross margin decreased approximately 200 basis points largely driven by lower margin in NIKE Direct in part due to higher promotional activity, higher product costs reflecting higher input costs and inbound freight and logistics costs, including supply chain network costs, and a lower mix of full-price sales. This was partially offset by higher full-price ASP, net of discounts, driven by strategic pricing actions and product mix. Selling and administrative expense increased due to higher operating overhead and demand creation expense. Operating overhead expense increased primarily due to higher wage-related expenses and NIKE Direct variable costs, in part due to new store additions. The increase in demand creation expense was primarily due to an increase in digital marketing.

FIRST NINE MONTHS OF FISCAL 2023 COMPARED TO FIRST NINE MONTHS OF FISCAL 2022

On a currency-neutral basis, North America revenues for the first nine months of fiscal 2023 increased 23%, due primarily to higher revenues in Men's and the Jordan Brand. NIKE Direct revenues increased 20%, primarily driven by strong digital sales growth of 25%, comparable store sales growth of 9% and the addition of new stores.

Currency-neutral footwear revenues increased 28%, largely driven by higher revenues in Men's and the Jordan Brand. Unit sales of footwear increased 23%, while higher ASP per pair contributed approximately 5 percentage points of footwear revenue growth. Higher ASP per pair was primarily due to higher full-price ASP and growth in NIKE Direct, partially offset by lower NIKE Direct ASP, reflecting higher promotional activity.

Currency-neutral apparel revenues increased 12%, driven primarily by higher revenues in Men's. Unit sales of apparel increased 12%, while ASP per unit remained flat, as lower NIKE Direct ASP, reflecting higher promotional activity, was offset by higher full-price ASP and growth in NIKE Direct.

Reported EBIT increased 12% primarily due to higher revenues, partially offset by gross margin contraction and higher selling and administrative expense. Gross margin decreased approximately 340 basis points primarily due to higher product costs, reflecting higher input costs and inbound freight and logistics costs, lower margins in NIKE Direct due to higher promotional activity and a lower mix of full-price sales. This was partially offset by higher full-price ASP, net of discounts, largely due to product mix and strategic pricing actions. Selling and administrative expense increased due to higher operating overhead and demand creation expense. Operating overhead expense increased primarily as a result of higher wage-related costs and NIKE Direct variable costs. The increase in demand creation expense reflected higher sports marketing expenses and an increase in digital marketing.

EUROPE, MIDDLE EAST & AFRICA

	THREE MONTHS ENDED FEBRUARY 28,				NINE MONTHS ENDED FEBRUARY 28,			
(Dollars in millions)	2023	2022	% CHANGE	% CHANGE EXCLUDING CURRENCY CHANGES	2023	2022	% CHANGE	% CHANGE EXCLUDING CURRENCY CHANGES
Revenues by:								
Footwear	$ 2,011	$ 1,569	28 %	39 %	$ 6,086	$ 5,358	14 %	30 %
Apparel	1,094	1,083	1 %	10 %	3,528	3,444	2 %	18 %
Equipment	141	127	11 %	20 %	454	426	7 %	22 %
TOTAL REVENUES	**$ 3,246**	**$ 2,779**	**17 %**	**26 %**	**$ 10,068**	**$ 9,228**	**9 %**	**25 %**
Revenues by:								
Sales to Wholesale Customers	$ 2,061	$ 1,858	11 %	20 %	$ 6,506	$ 6,194	5 %	21 %
Sales through NIKE Direct	1,185	921	29 %	39 %	3,562	3,034	17 %	34 %
TOTAL REVENUES	**$ 3,246**	**$ 2,779**	**17 %**	**26 %**	**$ 10,068**	**$ 9,228**	**9 %**	**25 %**
EARNINGS BEFORE INTEREST AND TAXES	**$ 785**	**$ 713**	**10 %**		**$ 2,750**	**$ 2,394**	**15 %**	

THIRD QUARTER OF FISCAL 2023 COMPARED TO THIRD QUARTER OF FISCAL 2022

On a currency-neutral basis, EMEA revenues for the third quarter of fiscal 2023 increased 26%, primarily driven by growth in Men's. NIKE Direct revenues increased 39%, driven by strong digital sales growth of 43% and comparable store sales growth of 36%.

Currency-neutral footwear revenues increased 39%, driven by higher revenues in Men's and Women's. Unit sales of footwear increased 24%, while higher ASP per pair contributed approximately 15 percentage points of footwear revenue growth. Higher ASP per pair was primarily due to higher full-price ASP, growth in NIKE Direct and higher NIKE Direct ASP.

Currency-neutral apparel revenues increased 10% due primarily to higher revenues in Men's. Unit sales of apparel decreased 2%, while higher ASP per unit contributed approximately 12 percentage points of apparel revenue growth, primarily due to growth in NIKE Direct and higher full-price ASP, partially offset by lower NIKE Direct ASP, reflecting higher promotional activity.

Reported EBIT increased 10% primarily due to higher revenues, partially offset by gross margin contraction and higher selling and administrative expenses. Gross margin decreased approximately 250 basis points primarily due to higher product costs reflecting higher input costs and inbound freight and logistics costs as well as product mix and unfavorable changes in standard foreign currency exchange rates. This activity was partially offset by higher full-price ASP, net of discounts, in part due to strategic pricing actions and product mix. Selling and administrative expense increased due to higher operating overhead and demand creation expense. Operating overhead expense increased primarily due to wage-related expenses and other administrative costs, partially offset by favorable changes in foreign currency exchange rates. Higher demand creation expense was driven by higher advertising and marketing expense, partially offset by favorable changes in foreign currency exchange rates.

FIRST NINE MONTHS OF FISCAL 2023 COMPARED TO FIRST NINE MONTHS OF FISCAL 2022

On a currency-neutral basis, EMEA revenues for the first nine months of fiscal 2023 increased 25%, due primarily to higher revenues in Men's. NIKE Direct revenues increased 34% primarily due to strong digital sales growth of 51% and comparable store sales growth of 18%.

Currency-neutral footwear revenues increased 30%, driven by higher revenues led by Men's, the Jordan Brand and Women's. Unit sales of footwear increased 13%, while higher ASP per pair contributed approximately 17 percentage points of footwear revenue growth. Higher ASP per pair was primarily due to higher full-price and NIKE Direct ASPs, as well as growth in NIKE Direct.

Currency-neutral apparel revenues increased 18% due primarily to higher revenues in Men's. Unit sales of apparel increased 5%, while higher ASP per unit contributed approximately 13 percentage points of apparel revenue growth, primarily due to higher full-price ASP and growth in NIKE Direct, partially offset by lower NIKE Direct ASP, reflecting higher promotional activity.

Reported EBIT increased 15% due to higher revenues and gross margin expansion, partially offset by higher selling and administrative expense. Gross margin increased approximately 30 basis points primarily due to higher full-price ASP, net of discounts, in part due to strategic pricing actions and product mix. This activity was partially offset by higher product costs reflecting higher input costs, inbound freight and logistics costs as well as product mix. Selling and administrative expense increased due to higher demand creation and operating overhead expense. Higher demand creation expense was primarily due to higher advertising and marketing expense, partially offset by favorable changes in foreign currency exchange rates. Operating overhead expense increased primarily due to other administrative costs and higher wage-related expenses, partially offset by favorable changes in foreign currency exchange rates.

GREATER CHINA

	THREE MONTHS ENDED FEBRUARY 28,				NINE MONTHS ENDED FEBRUARY 28,			
(Dollars in millions)	2023	2022	% CHANGE	% CHANGE EXCLUDING CURRENCY CHANGES	2023	2022	% CHANGE	% CHANGE EXCLUDING CURRENCY CHANGES
Revenues by:								
Footwear	$ 1,496	$ 1,554	-4 %	5 %	$ 4,099	$ 4,238	-3 %	4 %
Apparel	461	548	-16 %	-8 %	1,228	1,588	-23 %	-17 %
Equipment	37	58	-36 %	-31 %	111	160	-31 %	-26 %
TOTAL REVENUES	**$ 1,994**	**$ 2,160**	**-8 %**	**1 %**	**$ 5,438**	**$ 5,986**	**-9 %**	**-2 %**
Revenues by:								
Sales to Wholesale Customers	$ 1,126	$ 1,241	-9 %	-1 %	$ 2,862	$ 3,251	-12 %	-5 %
Sales through NIKE Direct	868	919	-6 %	3 %	2,576	2,735	-6 %	2 %
TOTAL REVENUES	**$ 1,994**	**$ 2,160**	**-8 %**	**1 %**	**$ 5,438**	**$ 5,986**	**-9 %**	**-2 %**
EARNINGS BEFORE INTEREST AND TAXES	**$ 702**	**$ 784**	**-10 %**		**$ 1,754**	**$ 2,054**	**-15 %**	

THIRD QUARTER OF FISCAL 2023 COMPARED TO THIRD QUARTER OF FISCAL 2022

On a currency-neutral basis, Greater China revenues for the third quarter of fiscal 2023 increased 1%. The increase in revenues was primarily due to higher revenues in Men's, the Jordan Brand and Kid's, largely offset by lower revenues in Women's. NIKE Direct revenues increased 3% due to comparable store sales growth of 9%, in part due to improved physical traffic, and growth in non-comparable store sales, partially offset by digital sales declines of 11%.

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Currency-neutral footwear revenues increased 5%, driven primarily by higher revenues in Men's. Unit sales of footwear increased 6%, while lower ASP per unit reduced footwear revenues by approximately 1 percentage point.

Currency-neutral apparel revenues decreased 8%, due primarily to lower revenues in Men's and Women's. Unit sales of apparel decreased 16%, partially offset by approximately 8 percentage points of growth due to higher ASP per unit. Higher ASP was primarily due to higher full-price, NIKE Direct and off-price ASPs as well as a higher mix of full-price sales.

Reported EBIT decreased 10% as lower revenues and gross margin contraction were partially offset by lower selling and administrative expense. Gross margin decreased approximately 80 basis points, primarily due to higher product costs reflecting higher input costs and product mix. This activity was partially offset by favorable changes in standard foreign currency exchange rates and higher full-price ASP, net of discounts, in part due to product mix. Selling and administrative expense decreased due to lower demand creation and operating overhead expense. The decrease in demand creation expense was primarily due to lower retail brand presentation expense, favorable changes in foreign currency exchange rates and lower digital marketing, partially offset by higher advertising and marketing expense. Operating overhead expense decreased primarily due to favorable changes in foreign currency exchange rates, partially offset by higher wage-related expense and other administrative costs.

FIRST NINE MONTHS OF FISCAL 2023 COMPARED TO FIRST NINE MONTHS OF FISCAL 2022

On a currency-neutral basis, Greater China revenues for the first nine months of fiscal 2023 decreased 2%, reflecting impacts from COVID-19 related disruptions. The decrease in revenues was primarily due to lower revenues in Men's and Women's, largely offset by higher revenues in the Jordan Brand. NIKE Direct revenues increased 2% due to growth in non-comparable store sales and a 1% increase in comparable store sales, partially offset by a decline in digital sales of 1%.

Currency-neutral footwear revenues increased 4%, driven primarily by higher revenues in the Jordan Brand. Unit sales of footwear increased 3%, while higher ASP per pair contributed approximately 1 percentage point of footwear revenue growth, primarily due to higher NIKE Direct ASP and a higher mix of full-price sales, partially offset by a lower mix of NIKE Direct sales.

Currency-neutral apparel revenues decreased 17%, due primarily to lower revenues in Men's and Women's. Unit sales of apparel decreased 16%, while lower ASP per unit reduced apparel revenues by approximately 1 percentage point, primarily due to lower NIKE Direct and off-price ASPs, partially offset by higher full-price ASP and growth in NIKE Direct.

Reported EBIT decreased 15% as lower revenues and gross margin contraction more than offset lower selling and administrative expense. Gross margin decreased approximately 80 basis points, primarily due to higher product costs reflecting product mix and higher input costs. This activity was partially offset by favorable changes in standard foreign currency exchange rates and higher full-price ASP, net of discounts, in part due to product mix. Selling and administrative expense decreased due to lower demand creation expense, partially offset by higher operating overhead expense. The decrease in demand creation expense was primarily due to lower retail brand presentation costs, lower digital marketing and favorable changes in foreign currency exchange rates, partially offset by higher advertising and marketing expense. Operating overhead expense increased due to higher wage-related expenses and other administrative costs, partially offset by favorable changes in foreign currency exchange rates.

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ASIA PACIFIC & LATIN AMERICA

(Dollars in millions)	THREE MONTHS ENDED FEBRUARY 28, 2023	2022	% CHANGE	% CHANGE EXCLUDING CURRENCY CHANGES	NINE MONTHS ENDED FEBRUARY 28, 2023	2022	% CHANGE	% CHANGE EXCLUDING CURRENCY CHANGES
Revenues by:								
Footwear	$ 1,141	$ 1,005	14 %	20 %	$ 3,313	$ 2,914	14 %	24 %
Apparel	407	394	3 %	9 %	1,255	1,181	6 %	18 %
Equipment	53	62	-15 %	-12 %	167	178	-6 %	3 %
TOTAL REVENUES	**$ 1,601**	**$ 1,461**	**10 %**	**15 %**	**$ 4,735**	**$ 4,273**	**11 %**	**22 %**
Revenues by:								
Sales to Wholesale Customers	$ 913	$ 860	6 %	11 %	$ 2,792	$ 2,571	9 %	18 %
Sales through NIKE Direct	688	601	14 %	22 %	1,943	1,702	14 %	27 %
TOTAL REVENUES	**$ 1,601**	**$ 1,461**	**10 %**	**15 %**	**$ 4,735**	**$ 4,273**	**11 %**	**22 %**
EARNINGS BEFORE INTEREST AND TAXES	**$ 485**	**$ 478**	**1 %**		**$ 1,470**	**$ 1,347**	**9 %**	

As discussed previously, our NIKE Brand business in Brazil transitioned to a distributor operating model during fiscal 2021. We completed the sale of our entity in Chile and our entities in Argentina and Uruguay to third-party distributors in the first and second quarters of fiscal 2023, respectively. The impacts from closing these transactions are included within Corporate and are not reflected in the APLA operating segment results. This completed the transition of our NIKE Brand businesses within our CASA marketplace, which now reflects a full distributor operating model. For more information, see Note 14 — Acquisitions and Divestitures within the accompanying Notes to the Unaudited Condensed Consolidated Financial Statements.

THIRD QUARTER OF FISCAL 2023 COMPARED TO THIRD QUARTER OF FISCAL 2022

On a currency-neutral basis, APLA revenues increased 15% for the third quarter of fiscal 2023 driven by higher revenues across nearly all territories, led by Southeast Asia & India and Japan. This increase was partially offset by a decline in our CASA territory. Within our CASA territory, the transition of our Chile, Argentina and Uruguay entities to a third-party distributor operating model reduced APLA revenue growth by approximately 8 percentage points. Revenues increased primarily due to growth in Men's, the Jordan Brand and Women's. NIKE Direct revenues increased 22%, primarily due to digital sales growth of 23% and comparable store sales growth of 36% in part due to improved physical retail traffic, partially offset by stores included in the sale of our Chile, Argentina and Uruguay entities.

Currency-neutral footwear revenues increased 20%, due primarily to higher revenues in Men's, the Jordan Brand and Women's. Unit sales of footwear increased 14%, while higher ASP per pair contributed approximately 6 percentage points of footwear revenue growth. Higher ASP per pair was driven by higher full-price ASP and growth in NIKE Direct, partially offset by lower NIKE Direct ASP.

Currency-neutral apparel revenues increased 9%, due primarily to higher revenues in Men's. Unit sales of apparel decreased 1%, while higher ASP per unit contributed approximately 10 percentage points of apparel revenue growth, driven by higher full-price and off-price ASPs and growth in NIKE Direct, partially offset by lower NIKE Direct ASP.

Reported EBIT increased 1% for the third quarter of fiscal 2023, as higher revenues more than offset higher selling and administrative expense and gross margin contraction. Gross margin decreased approximately 190 basis points due to higher product costs reflecting product mix and higher input costs and unfavorable changes in standard foreign currency exchange rates. This was partially offset by higher full-price ASP, net of discounts, in part due to product mix and strategic pricing actions. Selling and administrative expense increased due to higher demand creation and operating overhead expense. The increase in demand creation expense was primarily due to higher advertising and marketing expense and an increase in digital marketing. Operating overhead expense increased largely due to higher wage-related costs and NIKE Direct variable costs, partially offset by favorable changes in foreign currency exchange rates.

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FIRST NINE MONTHS OF FISCAL 2023 COMPARED TO FIRST NINE MONTHS OF FISCAL 2022

On a currency-neutral basis, APLA revenues increased 22% for the first nine months of fiscal 2023 driven by higher revenues across nearly all territories, led by Southeast Asia & India, Korea and Japan. This increase was partially offset by a decline in our CASA territory. Within our CASA territory, the transition of our Chile, Argentina and Uruguay entities to a third-party distributor operating model reduced APLA revenue growth by approximately 5 percentage points. Revenues increased primarily due to higher revenues in Men's, Women's and the Jordan Brand. NIKE Direct revenues increased 27%, primarily due to digital sales growth of 29% and comparable store sales growth of 31%, in part due to improved physical retail traffic.

Currency-neutral footwear revenues increased 24%, due primarily to higher revenues in Men's, Women's and the Jordan Brand. Unit sales of footwear increased 17%, while higher ASP per pair contributed approximately 7 percentage points of footwear revenue growth. Higher ASP per pair was driven by higher full-price ASP and growth in NIKE Direct.

Currency-neutral apparel revenues increased 18%, due primarily to higher revenues in Men's. Unit sales of apparel increased 13%, while higher ASP per unit contributed approximately 5 percentage points of apparel revenue growth, driven by higher full-price and off-price ASPs, partially offset by lower NIKE Direct ASP.

Reported EBIT increased 9% for the third quarter of fiscal 2023 as a result of higher revenues, partially offset by higher selling and administrative expense and gross margin contraction. Gross margin decreased approximately 100 basis points primarily due to higher product costs, reflecting product mix, increased inbound freight and logistics costs and input costs, partially offset by higher full-price ASP, net of discounts, in part due to product mix and strategic pricing actions. Selling and administrative expense increased due to higher operating overhead and demand creation expense. The increase in operating overhead expense was primarily due to higher wage-related expenses and NIKE Direct variable costs, partially offset by favorable changes in foreign currency exchange rates. Demand creation expense increased primarily due to increases in advertising and marketing expense and higher sports marketing expense, partially offset by favorable changes in foreign currency exchange rates.

GLOBAL BRAND DIVISIONS

	THREE MONTHS ENDED FEBRUARY 28,				NINE MONTHS ENDED FEBRUARY 28,			
(Dollars in millions)	2023	2022	% CHANGE	% CHANGE EXCLUDING CURRENCY CHANGES	2023	2022	% CHANGE	% CHANGE EXCLUDING CURRENCY CHANGES
Revenues	$ 12	$ 41	-71 %	-69 %	$ 44	$ 54	-19 %	-17 %
Earnings (Loss) Before Interest and Taxes	$ (1,160)	$ (975)	-19 %		$ (3,573)	$ (3,033)	-18 %	

Global Brand Divisions primarily represent demand creation and operating overhead expense, including product creation and design expenses that are centrally managed for the NIKE Brand, as well as costs associated with NIKE Direct global digital operations and enterprise technology. Global Brand Divisions revenues include NIKE Brand licensing and other miscellaneous revenues that are not part of a geographic operating segment.

THIRD QUARTER OF FISCAL 2023 COMPARED TO THIRD QUARTER OF FISCAL 2022

Global Brand Divisions' loss before interest and taxes increased 19% for the third quarter of fiscal 2023 driven primarily by higher operating overhead and demand creation expense. Higher operating overhead expense was primarily due to an increase in wage-related costs and strategic technology enterprise investments. Higher demand creation expense was primarily due to an increase in digital marketing and higher advertising and marketing expense.

FIRST NINE MONTHS OF FISCAL 2023 COMPARED TO FIRST NINE MONTHS OF FISCAL 2022

Global Brand Divisions' loss before interest and taxes increased 18% for the first nine months of fiscal 2023 driven by higher operating overhead and higher demand creation expense. The increase in operating overhead expense was primarily due to higher wage-related costs and strategic technology enterprise investments. The increase in demand creation expense reflected higher sports marketing expenses and an increase in digital marketing.

CONVERSE

(Dollars in millions)	THREE MONTHS ENDED FEBRUARY 28, 2023	2022	% CHANGE	% CHANGE EXCLUDING CURRENCY CHANGES	NINE MONTHS ENDED FEBRUARY 28, 2023	2022	% CHANGE	% CHANGE EXCLUDING CURRENCY CHANGES
Revenues by:								
Footwear	$ 540	$ 503	7 %	11 %	$ 1,633	$ 1,555	5 %	11 %
Apparel	29	29	0 %	7 %	70	87	-20 %	-13 %
Equipment	6	7	-14 %	-2 %	21	21	0 %	5 %
Other(1)	37	28	32 %	29 %	117	90	30 %	29 %
TOTAL REVENUES	**$ 612**	**$ 567**	**8 %**	**12 %**	**$ 1,841**	**$ 1,753**	**5 %**	**10 %**
Revenues by:								
Sales to Wholesale Customers	$ 323	$ 303	7 %	12 %	$ 971	$ 975	0 %	7 %
Sales through Direct to Consumer	252	236	7 %	10 %	753	688	9 %	13 %
Other(1)	37	28	32 %	29 %	117	90	30 %	29 %
TOTAL REVENUES	**$ 612**	**$ 567**	**8 %**	**12 %**	**$ 1,841**	**$ 1,753**	**5 %**	**10 %**
EARNINGS BEFORE INTEREST AND TAXES	**$ 164**	**$ 168**	**-2 %**		**$ 526**	**$ 504**	**4 %**	

(1) Other revenues consist of territories serviced by third-party licensees who pay royalties to Converse for the use of its registered trademarks and other intellectual property rights. We do not own the Converse trademarks in Japan and accordingly do not earn revenues in Japan.

THIRD QUARTER OF FISCAL 2023 COMPARED TO THIRD QUARTER OF FISCAL 2022

On a currency-neutral basis, Converse revenues increased 12% for the third quarter of fiscal 2023 as revenue growth in North America, Western Europe, and licensee markets was partially offset by declines in Asia. Direct to consumer revenues increased 10%, driven by strong digital sales growth in North America. Combined unit sales within the wholesale and direct to consumer channels increased 4%, primarily driven by growth in North America, while ASP increased 7%, driven by strategic pricing actions.

Reported EBIT decreased 2%, driven by higher selling and administrative expense and gross margin contraction, partially offset by higher revenues. Gross margin decreased approximately 150 basis points, driven by lower margins in direct to consumer, in part reflecting increased promotional activity, higher product costs and unfavorable changes in standard foreign currency exchange rates, partially offset by higher ASP, net of discounts, and lower other costs. Selling and administrative expense increased due to higher operating overhead and demand creation expense. Operating overhead expense increased as a result of higher wage-related expenses and professional services costs. Demand creation expense increased as a result of increased advertising and marketing expense.

FIRST NINE MONTHS OF FISCAL 2023 COMPARED TO FIRST NINE MONTHS OF FISCAL 2022

On a currency-neutral basis, Converse revenues increased 10% for the first nine months of fiscal 2023 as revenue growth in North America, Western Europe, and licensee markets was partially offset by declines in Asia. Direct to consumer revenues increased 13%, driven by strong digital sales growth in North America. Combined unit sales within the wholesale and direct to consumer channels increased 1%, primarily driven by growth in North America, while ASP increased 8%, driven by growth in direct to consumer and strategic pricing actions.

Reported EBIT increased 4%, driven by higher revenues and gross margin expansion, partially offset by higher selling and administrative expense. Gross margin increased approximately 120 basis points driven by higher ASP, net of discounts, lower other costs, and growth in licensee revenues, partially offset by higher product costs. Selling and administrative expense increased due to higher operating overhead and demand creation expense. Operating overhead expense increased as a result of higher wage-related expenses, higher professional services costs and lower bad debt recoveries. Demand creation expense increased due to higher advertising and marketing expense, partially offset by lower retail brand presentation costs.

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CORPORATE

(Dollars in millions)	THREE MONTHS ENDED FEBRUARY 28, 2023	2022	% CHANGE	NINE MONTHS ENDED FEBRUARY 28, 2023	2022	% CHANGE
Revenues	$ 12	$ (19)	—	$ 13	$ (56)	—
Earnings (Loss) Before Interest and Taxes	$ (696)	$ (412)	-69 %	$ (2,014)	$ (1,460)	-38 %

Corporate revenues primarily consist of foreign currency hedge gains and losses related to revenues generated by entities within the NIKE Brand geographic operating segments and Converse, but managed through our central foreign exchange risk management program.

The Corporate loss before interest and taxes primarily consists of unallocated general and administrative expenses, including expenses associated with centrally managed departments; depreciation and amortization related to our corporate headquarters; unallocated insurance, benefit and compensation programs, including stock-based compensation; and certain foreign currency gains and losses.

In addition to the foreign currency gains and losses recognized in Corporate revenues, foreign currency results in Corporate include gains and losses resulting from the difference between actual foreign currency exchange rates and standard rates used to record non-functional currency denominated product purchases within the NIKE Brand geographic operating segments and Converse; related foreign currency hedge results; conversion gains and losses arising from remeasurement of monetary assets and liabilities in non-functional currencies; and certain other foreign currency derivative instruments.

THIRD QUARTER OF FISCAL 2023 COMPARED TO THIRD QUARTER OF FISCAL 2022

Corporate's loss before interest and taxes increased $284 million for the third quarter of fiscal 2023, primarily due to the following:

- an unfavorable change of $164 million primarily related to increased wage-related expenses, reported as a component of consolidated Operating overhead expense;
- an unfavorable change of $77 million related to the difference between actual foreign currency exchange rates and standard foreign currency exchange rates assigned to the NIKE Brand geographic operating segments and Converse, net of hedge gains and losses; these results are reported as a component of consolidated gross margin;
- an unfavorable change of $44 million related to net favorable settlements of legal and insurance matters in the prior year as well as favorable activity in the prior year related to our strategic distributor partnership transition within APLA; these results are reported as a component of consolidated Other (income) expense, net; and
- a favorable change in net foreign currency gains and losses of $13 million related to the remeasurement of monetary assets and liabilities denominated in non-functional currencies and the impact of certain foreign currency derivative instruments, reported as a component of consolidated Other (income) expense, net.

FIRST NINE MONTHS OF FISCAL 2023 COMPARED TO FIRST NINE MONTHS OF FISCAL 2022

Corporate's loss before interest and taxes increased $554 million for the first nine months of fiscal 2023, primarily due to the following:

- an unfavorable change of $366 million related to the difference between actual foreign currency exchange rates and standard foreign currency exchange rates assigned to the NIKE Brand geographic operating segments and Converse, net of hedge gains and losses; these results are reported as a component of consolidated gross margin;
- an unfavorable change of $247 million primarily related to increased wage and other professional service expenses, reported as a component of consolidated Operating overhead expense;
- an unfavorable change of $150 million primarily due to our strategic distributor partnership transition within APLA, including the loss recognized upon completion of the sale of our entities in Argentina and Uruguay to a third-party distributor in the second quarter of fiscal 2023, partially offset by settlements of legal matters, reported as a component of consolidated Other (income) expense, net; and
- a favorable change in net foreign currency gains and losses of $221 million related to the remeasurement of monetary assets and liabilities denominated in non-functional currencies and the impact of certain foreign currency derivative instruments, reported as a component of consolidated Other (income) expense, net.

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FOREIGN CURRENCY EXPOSURES AND HEDGING PRACTICES

OVERVIEW

As a global company with significant operations outside the United States, in the normal course of business we are exposed to risk arising from changes in currency exchange rates. Our primary foreign currency exposures arise from the recording of transactions denominated in non-functional currencies and the translation of foreign currency denominated results of operations, financial position and cash flows into U.S. Dollars.

Our foreign exchange risk management program is intended to lessen both the positive and negative effects of currency fluctuations on our consolidated results of operations, financial position and cash flows. We manage global foreign exchange risk centrally on a portfolio basis to address those risks material to NIKE, Inc. Our hedging policy is designed to partially or entirely offset the impact of exchange rate changes on the underlying net exposures being hedged. Where exposures are hedged, our program has the effect of delaying the impact of exchange rate movements on our Unaudited Condensed Consolidated Financial Statements; the length of the delay is dependent upon hedge horizons. We do not hold or issue derivative instruments for trading or speculative purposes. As of and for the three and nine months ended February 28, 2023, there have been no material changes to the Company's hedging program or strategy from what was disclosed within the Annual Report on Form 10-K.

Refer to Note 4 — Fair Value Measurements and Note 9 — Risk Management and Derivatives in the accompanying Notes to the Unaudited Condensed Consolidated Financial Statements for additional description of outstanding derivatives at each reported period end. For additional information about our Foreign Currency Exposures and Hedging Practices refer to Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations of our Annual Report on Form 10-K for the fiscal year ended May 31, 2022.

TRANSACTIONAL EXPOSURES

We conduct business in various currencies and have transactions which subject us to foreign currency risk. Our most significant transactional foreign currency exposures are:

- Product Costs — Product purchases denominated in currencies other than the functional currency of the transacting entity and factory input costs from the foreign currency adjustments program with certain factories.
- Non-Functional Currency Denominated External Sales — A portion of our NIKE Brand and Converse revenues associated with European operations are earned in currencies other than the Euro (e.g., the British Pound) but are recognized at a subsidiary that uses the Euro as its functional currency. These sales generate a foreign currency exposure.
- Other Costs — Non-functional currency denominated costs, such as endorsement contracts, also generate foreign currency risk, though to a lesser extent.
- Non-Functional Currency Denominated Monetary Assets and Liabilities — Our global subsidiaries have various monetary assets and liabilities, primarily receivables and payables, including intercompany receivables and payables, denominated in currencies other than their functional currencies. These balance sheet items are subject to remeasurement which may create fluctuations in Other (income) expense, net within our consolidated results of operations.

MANAGING TRANSACTIONAL EXPOSURES

Transactional exposures are managed on a portfolio basis within our foreign currency risk management program. We manage these exposures by taking advantage of natural offsets and currency correlations that exist within the portfolio and may also elect to use currency forward and option contracts to hedge the remaining effect of exchange rate fluctuations on probable forecasted future cash flows, including certain product cost exposures, non-functional currency denominated external sales and other costs described above. Generally, these are accounted for as cash flow hedges, except for hedges of the embedded derivative components of the product cost exposures and other contractual agreements.

Certain currency forward contracts used to manage the foreign exchange exposure of non-functional currency denominated monetary assets and liabilities subject to remeasurement and embedded derivative contracts are not formally designated as hedging instruments and are recognized in Other (income) expense, net.

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TRANSLATIONAL EXPOSURES

Many of our foreign subsidiaries operate in functional currencies other than the U.S. Dollar. Fluctuations in currency exchange rates create volatility in our reported results as we are required to translate the balance sheets, operational results and cash flows of these subsidiaries into U.S. Dollars for consolidated reporting. The translation of foreign subsidiaries' non-U.S. Dollar denominated balance sheets into U.S. Dollars for consolidated reporting results in a cumulative translation adjustment to Accumulated other comprehensive income (loss) within Shareholders' equity. The impact of foreign exchange rate fluctuations on the translation of our consolidated Revenues was a detriment of approximately $549 million and $2.5 billion for the three and nine months ended February 28, 2023, respectively, and a detriment of approximately $280 million and a benefit of $165 million for the three and nine months ended February 28, 2022, respectively. The impact of foreign exchange rate fluctuations on the translation of our Income before income taxes was a detriment of approximately $160 million and $729 million for the three and nine months ended February 28, 2023, respectively, and a detriment of approximately $84 million and a benefit of $45 million for the three and nine months ended February 28, 2022, respectively.

Management generally identifies hyper-inflationary markets as those markets whose cumulative inflation rate over a three-year period exceeds 100%. Management has concluded our Turkey subsidiary within our EMEA operating segment is operating in a hyper-inflationary markets. As a result, beginning in the first quarter of fiscal 2023, the functional currency of our Turkey subsidiary, changed from the local currency to the U.S. Dollar. As of and for the three and nine months ended February 28, 2023, this change did not have a material impact on our results of operations or financial condition, and we do not anticipate it will have a material impact in future periods based on current rates.

Prior to the completion of the sale of our Argentina entity within our APLA operating segment during the second quarter of fiscal 2023, Management concluded this subsidiary was operating in a hyper-inflationary market. As a result, beginning in the second quarter of fiscal 2019, the functional currency of our Argentina subsidiary changed from the local currency to the U.S. Dollar. As of and for the three and nine months ended February 28, 2023, this change did not have a material impact on our results of operations or financial condition.

MANAGING TRANSLATIONAL EXPOSURES

To minimize the impact of translating foreign currency denominated revenues and expenses into U.S. Dollars for consolidated reporting, certain foreign subsidiaries use excess cash to purchase U.S. Dollar denominated available-for-sale investments. The variable future cash flows associated with the purchase and subsequent sale of these U.S. Dollar denominated investments at non-U.S. Dollar functional currency subsidiaries creates a foreign currency exposure that qualifies for hedge accounting under U.S. GAAP. We utilize forward contracts and/or options to mitigate the variability of the forecasted future purchases and sales of these U.S. Dollar investments. The combination of the purchase and sale of the U.S. Dollar investment and the hedging instrument has the effect of partially offsetting the year-over-year foreign currency translation impact on net earnings in the period the investments are sold. Hedges of the purchase of U.S. Dollar denominated available-for-sale investments are accounted for as cash flow hedges.

We estimate the combination of translation of foreign currency-denominated profits from our international businesses and the year-over-year change in foreign currency related gains and losses included in Other (income) expense, net had an unfavorable impact of approximately $147 million and $508 million on our Income before income taxes for the three and nine months ended February 28, 2023.

LIQUIDITY AND CAPITAL RESOURCES

CASH FLOW ACTIVITY

Cash provided (used) by operations was an inflow of $3,588 million for the first nine months of fiscal 2023, compared to $4,037 million for the first nine months of fiscal 2022. Net income, adjusted for non-cash items, generated $4,805 million of operating cash inflow for the first nine months of fiscal 2023, compared to $5,387 million for the first nine months of fiscal 2022. The net change in working capital and other assets and liabilities resulted in a decrease to Cash provided (used) by operations of $1,217 million for the first nine months of fiscal 2023 compared to a decrease of $1,350 million for the first nine months of fiscal 2022. For the first nine months of fiscal 2023, the net change in working capital compared to the prior year was relatively flat and impacted by unfavorable changes in Accounts payable and Accounts receivable, offset by favorable impacts from Inventories. These changes were, in part, due to reduced inventory purchases in the current period as we reduce our excess inventory and higher wholesale revenues, which carry a higher level of days sales outstanding. Further impacting these changes was a lower available supply of inventory in the prior year due to supply chain constraints.

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Cash provided (used) by investing activities was an inflow of $137 million for the first nine months of fiscal 2023, compared to an outflow of $1,711 million for the first nine months of fiscal 2022, primarily driven by the net change in short-term investments. For the first nine months of fiscal 2023, the net change in short-term investments (including sales, maturities and purchases) resulted in a cash inflow of $775 million compared to a cash outflow of $1,156 million for the first nine months of fiscal 2022.

Cash provided (used) by financing activities was an outflow of $5,266 million for the first nine months of fiscal 2023 compared to $3,456 million for the first nine months of fiscal 2022. The increased outflow in the first nine months of fiscal 2023 was driven by higher share repurchases of $4,101 million for the first nine months of fiscal 2023 compared to $2,923 million in the first nine months of fiscal 2022, as well as lower proceeds from stock option exercises, which resulted in a cash inflow of $413 million in the first nine months of fiscal 2023 compared to $959 million in the first nine months of fiscal 2022.

During the first nine months of fiscal 2023, we repurchased a total of 38.4 million shares of NIKE's Class B Common Stock for $4.1 billion (an average price of $107.16 per share). In August 2022, we terminated the previous four-year, $15 billion share repurchase program approved by the Board of Directors in June 2018. Under this program, we repurchased 6.5 million shares for a total approximate cost of $710.0 million (an average price of $109.85 per share) during the first quarter of fiscal 2023 and 83.8 million shares for a total approximate cost of $9.4 billion (an average price of $111.82 per share) during the term of the program. Upon termination of the four-year, $15 billion program, we began purchasing shares under the new four-year, $18 billion share repurchase plan authorized by the Board of Directors in June 2022. As of February 28, 2023, we had repurchased 32.0 million shares at a cost of approximately $3.4 billion (an average price of $106.61 per share) under this new program. We continue to expect funding of share repurchases will come from operating cash flows and excess cash. The timing and the amount of share repurchases will be dictated by our capital needs and stock market conditions.

CAPITAL RESOURCES

On July 21, 2022, we filed a shelf registration statement (the “Shelf”) with the U.S. Securities and Exchange Commission (the "SEC") which permits us to issue an unlimited amount of debt securities from time to time. The Shelf expires on July 21, 2025.

As of February 28, 2023, our committed credit facilities were unchanged from the information previously reported in our Form 10-K for the fiscal year ended May 31, 2022. We currently have long-term debt ratings of AA- and A1 from Standard and Poor's Corporation and Moody's Investor Services, respectively. Any changes to these ratings could result in interest rate and facility fee changes. As of February 28, 2023, we were in full compliance with the covenants under our facilities and believe it is unlikely we will fail to meet any of the covenants in the foreseeable future. As of February 28, 2023 and May 31, 2022, no amounts were outstanding under our committed credit facilities.

On March 10, 2023, subsequent to the end of the third quarter of fiscal 2023, we entered into a 364-day committed credit facility agreement with a syndicate of banks which provides for up to $1 billion of borrowings, with the option to increase borrowings up to $1.5 billion in total with lender approval. The facility matures on March 8, 2024, with an option to extend the maturity date by 364 days. This facility replaces the prior $1 billion 364-day credit facility agreement entered into on March 11, 2022, which matured on March 10, 2023. Refer to Note 5 — Short-term Borrowings and Credit Lines for additional information.

Liquidity is also provided by our $3 billion commercial paper program. As of and for the three months ended February 28, 2023, we did not have any borrowings outstanding under our $3 billion program. We may issue commercial paper or other debt securities depending on general corporate needs. We currently have short-term debt ratings of A1+ and P1 from Standard and Poor's Corporation and Moody's Investor Services, respectively.

To date, in fiscal 2023, we have not experienced difficulty accessing the capital or bank markets; however, future volatility may increase costs associated with issuing commercial paper or other debt instruments or affect our ability to access those markets.

As of February 28, 2023, we had Cash and equivalents and Short-term investments totaling $10.8 billion, primarily consisting of commercial paper, corporate notes, deposits held at major banks, money market funds, U.S. Treasury obligations and other investment grade fixed-income securities. Our fixed-income investments are exposed to both credit and interest rate risk. All of our investments are investment grade to minimize our credit risk. While individual securities have varying durations, as of February 28, 2023, the weighted average days to maturity of our cash equivalents and short-term investments portfolio was 104 days.

We believe that existing Cash and equivalents, Short-term investments and cash generated by operations, together with access to external sources of funds as described above, will be sufficient to meet our domestic and foreign capital needs in the foreseeable future.

There have been no significant changes to the material cash requirements reported in our Annual Report on Form 10-K for the fiscal year ended May 31, 2022.

OFF-BALANCE SHEET ARRANGEMENTS

As of February 28, 2023, we did not have any off-balance sheet arrangements that have, or are reasonably likely to have, a material effect on our current or future financial condition, results of operations, liquidity, capital expenditures or capital resources.

NEW ACCOUNTING PRONOUNCEMENTS

Refer to Note 1 — Summary of Significant Accounting Policies within the accompanying Notes to the Unaudited Condensed Financial Statements for recently adopted and issued accounting standards.

CRITICAL ACCOUNTING ESTIMATES

Our discussion and analysis of our financial condition and results of operations are based upon our Unaudited Condensed Consolidated Financial Statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities.

We believe the assumptions and judgments involved in the accounting estimates described in the “Management's Discussion and Analysis of Financial Condition and Results of Operations” section of our most recent Annual Report on Form 10-K have the greatest potential impact on our financial statements, so we consider these to be our critical accounting estimates. Actual results could differ from these estimates. We are not currently aware of any reasonably likely events or circumstances that would result in materially different amounts being reported.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NIKE, INC.
an Oregon Corporation

By:	/s/ MATTHEW FRIEND **Matthew Friend** Chief Financial Officer and Authorized Officer
Date:	April 6, 2023

Exhibit 31.1

Certification of Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, John J. Donahoe II, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended February 28, 2023 of NIKE, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: April 6, 2023

/s/ John J. Donahoe II

John J. Donahoe II
Chief Executive Officer

Exhibit 31.2

Certification of Chief Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Matthew Friend, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended February 28, 2023 of NIKE, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: April 6, 2023

/s/ Matthew Friend
Matthew Friend
Chief Financial Officer

Exhibit 32.1

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the following certifications are being made to accompany the Registrant's quarterly report on Form 10-Q for the fiscal quarter ended February 28, 2023.

Certification of Chief Executive Officer

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of NIKE, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

(i) the Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended February 28, 2023 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: April 6, 2023

/s/ John J. Donahoe II

John J. Donahoe II
Chief Executive Officer

Exhibit 32.2

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the following certifications are being made to accompany the Registrant's quarterly report on Form 10-Q for the fiscal quarter ended February 28, 2023.

Certification of Chief Financial Officer

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of NIKE, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

(i) the Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended February 28, 2023 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: April 6, 2023

/s/ Matthew Friend

Matthew Friend
Chief Financial Officer